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D a l e x

CO. LIMITED

APR 21 1958

Dedicated to the Art
of Professional
Distributorship





DALEX CO. LIMITED 100 Floral Parkway, Toronto 15, Ont.

1957 was a good year for your Company.
Sales at \$3,055,584 were up 24% from the preceding year.

Profits at \$69,458 were double the preceding year.

Full allowable depreciations were taken on all fixed assets of the Company.

After all dividend payments for the year, our surplus account was increased by \$43,060.

Our Mercury Outboard Motor operations for the first year worked out well, and we are anticipating a better season in 1958.

BOARD OF DIRECTORS

D. F. McCONVEY *Chairman*

J. L. CLINTON

H. L. ROSCOE

R. C. DOLPHIN

R. D. TELFER

R. HARTOG

A. C. THORNLEY

EXECUTIVE OFFICERS

D. F. McCONVEY

President

J. L. CLINTON

Vice-President

R. C. DOLPHIN

Vice-President

H. D. HYLANDS

Vice-President

A. C. THORNLEY

Secretary-Treasurer

AUDITORS

CLARKSON, GORDON & CO.
Toronto, Ontario

BANKERS

CANADIAN BANK OF COMMERCE
Dufferin and Glencairn
Toronto, Ontario

TRANSFER AGENTS

TORONTO GENERAL TRUSTS CORPORATION
Toronto, Ontario

DALEX CO.
(Incorporated under
and its wholly-
P. L. & D. MACHINERY

CONSOLIDATED
DECEMBER 31, 1957
(with comparative figures for 1956)

A S S E T S		1957	1956
CURRENT:			
Cash		\$ 29,424.85	\$ 66,156.17
Accounts receivable — trade	\$603,879.73		
— officers and employees	19,780.45		
	<u>\$623,660.18</u>		
Less allowance for doubtful accounts	30,000.00	593,660.18	616,030.51
Inventories at the lower of cost or market—			
Equipment and motors	\$213,958.51		
Parts	140,864.81		
Supplies	90,574.64	445,397.96	331,760.88
	<u>6,064.51</u>		2,558.60
Prepaid expenses		<u>\$1,074,547.50</u>	<u>\$1,016,506.16</u>
FIXED:			
Plant, office and automotive equipment at cost	\$ 42,123.25		
Less accumulated depreciation	16,779.37	25,343.88	16,595.30
ORGANIZATION EXPENSES			2,199.08
Notes: 1. The company is contingently liable for guaran- tees of payments of balances owing to finance companies of \$1,118,841.			
2. The company has entered into a long-term lease on its North York premises to run to March 31, 1969, at an annual rental of \$18,150.			
		<u>\$1,099,891.38</u>	<u>\$1,035,300.54</u>

A U D I T O R S'

To the Shareholders of
Dalex Co. Limited:

We have examined the consolidated balance sheet of Dalex Co. Limited and its wholly-owned subsidiaries and earned surplus for the year ended on that date. Our examination included a general review of the accounting practices.

In our opinion the accompanying consolidated balance sheet and statements of consolidated profit and loss for their operations for the year ended on that date.

Toronto, Canada,
March 3, 1958.

LIMITED

e laws of Ontario)

ed subsidiary

COMPANY LIMITED**ALANCE SHEET****1, 1957**

t December 31, 1956)

LIABILITIES**CURRENT:**

	1957	1956
Bank loan (secured)	\$ 200,000.00	\$ 200,000.00
Accounts payable and accrued charges	404,791.50	420,664.19
Income taxes payable	37,934.61	531.71
	<u>\$ 642,726.11</u>	<u>\$ 621,195.90</u>

SHAREHOLDERS' EQUITY:

Capital—

Authorized:

5,400 7% cumulative redeemable preference
shares with a par value of \$100 each
redeemable at \$105

60,000 common shares without par value

Issued and outstanding:

3,498 preference shares\$349,800.00
36,400 common shares 10,407.00

\$360,207.00

Earned surplus 96,958.27 457,165.27 414,104.64

Approved on behalf of the Board:

Director

Director

\$1,099,891.38\$1,035,300.54**REPORT**

P. L. & D. Machinery Company Limited as at December 31, 1957 and the statements of consolidated profit and loss
dures and such tests of accounting records and other supporting evidence as we considered necessary in the circum-

and earned surplus present fairly the financial position of the companies as at December 31, 1957 and the results of

Clarkson, Gordon & Co.

Chartered Accountants.

DALEX CO. LIMITED

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS
YEAR ENDED DECEMBER 31, 1957**

Profit before deducting selling, warehouse, general and administrative expenses	\$568,044.85
Selling, warehouse, general and administrative expenses	439,386.47
Profit before income taxes	<u>\$128,658.38</u>
Income taxes	59,200.00
Net profit for the year	<u><u>\$ 69,458.38</u></u>

Note: The consolidated profit and loss statement includes the following items —

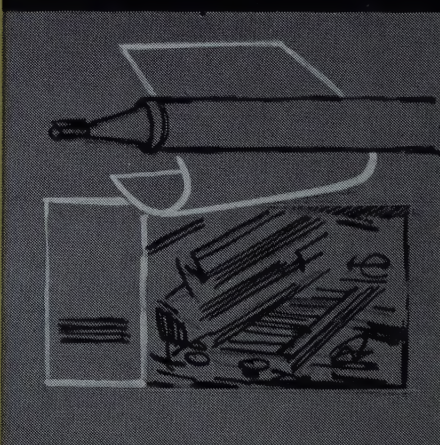
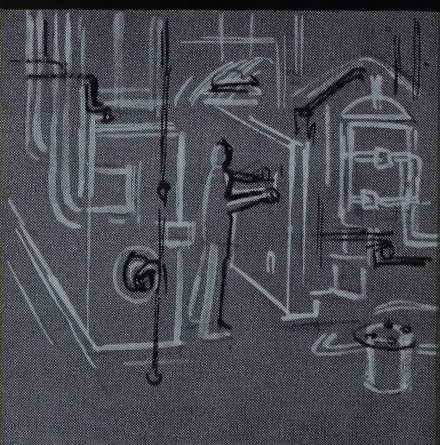
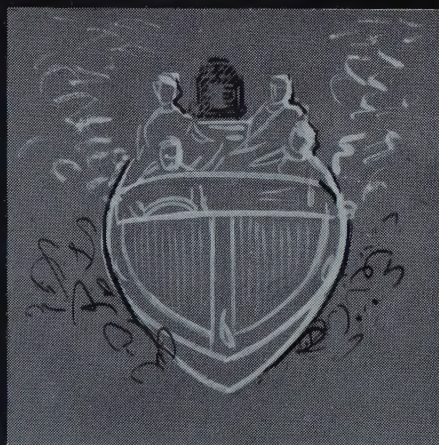
Depreciation	\$7,702.87
Organization expenses written off	2,199.08

**STATEMENT OF CONSOLIDATED EARNED SURPLUS
YEAR ENDED DECEMBER 31, 1957**

Balance December 31, 1956	\$ 53,897.64
Net profit for the year	69,458.38
	<u>\$123,356.02</u>
Less dividends paid on preferred shares	26,397.75
Balance December 31, 1957	<u><u>\$ 96,958.27</u></u>



**DALEX
FOR EASTERN CANADA
PROFESSIONAL
DISTRIBUTORSHIP
AT IT'S BEST**



**TORONTO 15, ONTARIO 100 FLORAL PARKWAY
MONTREAL 36, QUE. 6834 2nd AVE.**